

Community Academy of Philadelphia CS

**Charter Annual Report**

07/01/2013 - 06/30/2014

# School Profile

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## Demographics

1100 East Erie Ave  
Philadelphia, PA 19124  
(215)533-6700

Phase:	Phase 2
CEO Name:	Joseph Proietta
CEO E-mail address:	<a href="mailto:jproietta@communityacademy.org">jproietta@communityacademy.org</a>

# Governance and Staff

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## *Leadership Changes*

Leadership changes during the past year on the Board of Trustees and in the school administration:

Ms. Evelyn Nunez was hired in June 2013, as part of our senior management team as the Deputy Chief Executive Officer. Her duties include: the induction program, teacher coaching program, programmatic development and response to testing outcomes and community outreach. She assists the Chief Academic Officer with transition to the Common Core. In this role, she works with the Deputy CEO of School Operations and the school principals, Elizabeth McCluskey, the CAO, her assistant, Kim Jetter-Henson, the Deputy CAO, and Kim Beiderman, Educational Data Analyst.

## *Board of Trustees Meeting Schedule*

<b>Location</b>	<b>Date and Time</b>
Community Academy of Philadelphia, a Pennsylvania Charter School	9/16/2013 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	12/1/2013 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	2/24/2014 12:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	4/14/2014 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	6/2/2014 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	9/22/2014 4:00 AM
Community Academy of Philadelphia, a Pennsylvania Charter School	12/1/2014 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	2/23/2015 12:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	4/13/2015 4:00 PM
Community Academy of Philadelphia, a Pennsylvania Charter School	6/1/2015 4:00 PM

## *Professional Staff Member Roster*

*There are no professional staff members.*

The professional staff member roster as recorded originally on the PDE-414 form

*XLS file uploaded.*

## *Quality of Teaching and Other Staff*

<b>Position Categories</b>	<b>All Employed per Category</b>	<b>Appropriately Certified</b>	<b>Promoted</b>	<b>Transferred</b>	<b>Terminated</b>	<b>Contracted for Following Year</b>
Chief Academic Officer/Director	1.00	1.00	0.00	0.00	0.00	1.00
Principal	2.00	2.00	0.00	0.00	0.00	2.00
Assistant Principal	1.00	1.00	0.00	0.00	0.00	1.00
Classroom Teacher (including Master Teachers)	59.00	58.00	0.00	0.00	0.00	58.00
Specialty Teacher (including Master Teachers)	10.00	10.00	0.00	0.00	1.00	9.00
Special Education Teacher (including Master Teachers)	7.00	7.00	0.00	0.00	0.00	6.00
Special Education Coordinator	5.00	5.00	0.00	0.00	0.00	5.00
Counselor	1.00	1.00	0.00	0.00	0.00	1.00
Psychologist	1.00	1.00	0.00	0.00	0.00	1.00
School Nurse	1.00	1.00	0.00	0.00	0.00	0.00
Deputy CEO	2	2	0	0	0	2
ESL Coordinator	1	1	0	0	0	1
Deputy CAO	1	1	0	0	0	1
Licensed Therapist	3	3	0	0	0	1
<b>Totals</b>	<b>95.00</b>	<b>94.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>89.00</b>

Further explanation:

Some of the employee positions are duplicated because they hold both a teaching position and administrator position.

# Fiscal Matters

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## *Major Fundraising Activities*

Major fundraising activities performed this year and planned for next year:

There are no major fund-raising activities planned at this time.

## *Fiscal Solvency Policies*

Changes to policies and procedures to ensure and monitor fiscal solvency:

Community Academy follows a zero-based budget policy which includes a budget reserve/contingency fund in the amount of \$150,000.00. If there are any significant changes that need to be made to the budget a revised budget is presented to the Board for approval.

### **Fiscal Solvency Policies**

Charter School documents that describe policies and procedures that have been established to ensure and monitor fiscal solvency (optional if described in the narrative)

*No files have been uploaded.*

## *Accounting System*

Changes to the accounting system the charter school uses:

The financial accounting system used by the school provides the necessary information to:

- 1) Prepare financial reports that present fairly the financial position and results of financial operation of the funds and account groups of the LEA in conformity with GAAP.
- 2) Determine and demonstrate compliance with finance-related and contractual provisions (such as subsidy calculations).

The accounting policy and procedures followed by the school are in compliance with the Manual of Accounting and Financial Reporting for Pennsylvania Public Schools. The School utilizes Quickbooks accounting software, which is also in compliance with the standardized chart of accounts listed in the above

referenced manual. At the direction of the CEO, the school uses a zero-based budget procedure.

### ***Preliminary Statements of Revenues, Expenditures & Fund Balances***

The completed and CEO signed Fiscal Template – Preliminary Statements of Revenues, Expenditures & Fund Balances

*PDF file uploaded.*

### ***Financial Audits***

#### **Basics**

Audit Firm: Siegal & Drossner PC  
 Date of Last Audit: 06/20/2013  
 Fiscal Year Last Audited: 2013-2014

#### **Explanation of the Report**

Detailed explanation of the report (if the previous year's report has been submitted.) Any audit report for a school year that precedes this annual report by more than 2 years is not acceptable and may be considered a material violation:

Community Academy's current auditing firm is Siegal and Drossner, PC. The attached Audit report reflects year ending June 30, 2013 which the auditor's gave a unqualified opinion. There are no findings on this audit. Our next Audit is scheduled for August 2014.

#### **Financial Audit Report**

The Financial Audit Report, which should include the auditor's opinion and any findings resulting from the audit

*PDF file uploaded.*

#### **Citations**

Financial audit citations and the corresponding Charter School responses

Description	Response
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## *Federal Programs Consolidated Review*

### **Basics**

Title I Status: Yes  
Date of Last Federal Programs Consolidated Review: 05/02/2011  
School Year Reviewed: 2010-2011

### **Federal Programs Consolidated Review Report**

The Federal Programs Consolidated Review Report, which should include the Division's opinion and any findings resulting from the audit

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### **Citations**

Federal Programs Consolidated Review citations and the corresponding Charter School responses

<b>Description</b>	<b>Response</b>
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# Special Education

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## *Chapter 711 Assurances*

The LEA agrees to comply with all requirements of Special Education outlined in 22 PA Code Chapter 711 and other state and federal mandates. These include:

Implementation of a full range of services, programs and alternative placements available to the Charter School for placement and implementation of the special education programs in the Charter School.

Implementation of a child find system to locate, identify and evaluate young children and children who are thought to be a child with a disability eligible for special education residing within the Charter School's jurisdiction. Child find data is collected, maintained and used in decision-making. Child find process and procedures are evaluated for their effectiveness. The Charter School implements mechanisms to disseminate child find information to the public, organizations, agencies and individuals on at least an annual basis.

Assurances of students with disabilities are included in general education programs and extracurricular and non-academic programs and activities to the maximum extent appropriate in accordance with an Individualized Education Program.

Following the state and federal guidelines for participation of students with disabilities in state and Charter School-wide assessments including the determination of participation, the need for accommodations and the methods of assessing students for whom regular assessment is not appropriate.

Assurance of funds received through participation in the medical assistance reimbursement program, ACCESS, will be used to enhance or expand the current level of services and programs provided to students with disabilities in this local education agency.

## **Special Education Support Services**

<b>Support Service</b>	<b>Location</b>	<b>Teacher FTE</b>
Certified Bilingual School Psychologist	CAP	0.8
Counselor	CAP	0.2
Counselor	CAP	0.2
Paraprofessional	CAP	1
Special Education Supervisor	CAP	1
Special Education Teacher	CAP	8

## **Special Education Contracted Services**

<b>Title</b>	<b>Amt. of Time per Week</b>	<b>Operator</b>	<b>Number of Students</b>
Occupational Therapy	2 Days	Outside Contractor	18

Paraprofessional	5 Days	Outside Contractor	10 or fewer
Physical Therapy	1 Hours	Outside Contractor	10 or fewer
Speech and Language Pathologist	5 Days	Outside Contractor	64

### ***Special Education Cyclical Monitoring***

Date of Last Special Education Cyclical Monitoring:

04/28/2011

Link to Report (Optional):

Not Provided

### **Special Education Cyclical Monitoring Report**

The Special Education Cyclical Monitoring Report, which should include the Bureau's findings

*PDF file uploaded.*

# Facilities

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## *Fixed assets acquired by the Charter School during the past fiscal year*

Fixed assets acquired by the Charter School during the past fiscal year:

### ***The following improvements were implemented during the last school year:***

1. Repair of K Street Gate including hinges, and locking bar
2. Repair of Erie Gate including hinges and locking bar
3. Alarm added to loading dock gate
4. Converting exterior light timers to photo electric eye control with override switches.
5. Replace all exterior lock cylinders for higher security.
6. Installation of electric steamer, and associated electrical wiring, in the kitchen
7. Replaced all (30) security and maintenance two-way radios and lapel mics.
8. Purchased (4) Dell computers with scanners for NSLP POS terminals.
9. Continued education and certification of CAP security officers.
10. Addition of an access card reader for increased security at second floor stairwell.
11. Replace kitchen blower roof assembly
12. Replacement of gym roof and associated repairs
13. Replaced all tables and chairs, install divider and monitor in the faculty preparation room (206).
14. Replacement of guard shack heater / air conditioning unit
15. Replacement of (2) kitchen food warming units
16. Replacement of multiple sidewalk blocks
17. Replacement of carpet in the AV room, S10 and H10
18. Installation of a safety fence around playground
19. Adding camera for playground security
20. Replacement of stolen pickup truck with plow and spreader

### **The total Charter School expenditures for fixed assets during the identified fiscal year:**

*\$157,913.00*

## *Facility Plans and Other Capital Needs*

The Charter School's plan for future facility development and the rationale for the various components of the plan:

### ***The following improvements / capital needs are in the planning stage but have not yet been implemented:***

1. Upgrading recycling and waste disposal program. .

2. Theatrical lighting, audio and acoustical upgrades to enhance the quality of sight and sound during stage performances.
3. Refurbish security guard shack at K Street Gate.
4. Replace older cameras with higher resolution.
5. Add hands free faucets to the two Upper School and Lower School bathrooms (they have been added to the Middle School).
6. Add hands free hand dryers to all bathrooms.
7. Replacement of split system HVAC systems for the server room (2) and mailroom (1).
8. The installation of motion switches for lighting, where applicable, to reduce energy consumption.
9. Add shelving to the main file room to improve storage capacity.

### *Memorandums of Understanding*

<b>Organization</b>	<b>Purpose</b>
Abington Speech and Language Pathology (ASPS)	ASPS provides CAPCS with speech and language pathology and occupational therapy services for qualifying special education students.
CTS	Contract for all inclusive Service, PM, monitoring, cameras, Divar recorders, monitors, access system Inc. financing of new recorders & monitors.
District Attorney Office of Truancy Prevention	Provides truancy prevention/interventions services to school
Edmentum, Inc.	Annual license for online student access to test preparation (Study Island and Education City) and professional development services for teachers as well as technical support
Elevator Construction & Repair	Service, PM, testing, NEIS Inspection of our school elevator
Elliott-Lewis	Quarterly PM on HVAC and refrigeration, which includes all repairs and parts including the condenser and cleaning.
Firestone	Main roof warranty that covers repairs
Flocabulary	Annual license for teacher and student access to engaging common core aligned resources to support core subjects.
JaniKing	Janitorial Services
Levels of Teaching Innovation (LoTi)	Educational Consultation and Professional Development Services

Incorporated	
Majek	Quarterly/Annual testing of sprinkler system, yearly fire extinguisher certification, ER lighting annual certification and kitchen hood
Michaels	Landscaping and snow removal on school property
Northwest Evaluation Association (NWEA)	Annual license for Measures of Academic Progress (MAP) Testing
OCE	Exterminator-Monthly preventative and inspection services
Pearson Inform	Annual contract for license, professional development, and technical assistance/support for comprehensive data warehouse
Phone America	Covers voicemail and school phone system
Republic/Allied Waste	Waste Removal services
Rubicon Atlas	Annual license for curriculum mapping site, professional development, and technical support
Sara Walker, Psy.D.	Dr. Walker provides CAPCS with psychoeducational evaluations for referred students.
Siemens	Testing, service and annual system certificate for our fire alarm.
Staffing Plus	Staffing Plus provides CAPCS with a paraprofessional to work with lower school special education students.
The Philadelphia Police Department	This memorandum establishes procedures to follow when certain incidents occur on school property or at any school sponsored event to maintain a safe school environment.
Therapy Source	Therapy Source provides CAPCS with a licensed pediatric physical therapist to provide services to special education students with physical therapy needs in their IEPs.

# Charter School Annual Report Affirmations

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## **Charter Annual Report Affirmation**

I verify that all information and records in this charter school annual report are complete and accurate.

**The Chief Executive Officer and the Board of Trustee President of the charter school must sign this verification.**

**Affirmed by Jack Fitzsimmons on 7/22/2014**

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*President, Board of Trustees*

**Affirmed by Joseph Proietta on 7/22/2014**

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*Chief Executive Officer*

## **Charter School Law Affirmation**

Pennsylvania's first Charter School Law was Act 22 of 1997, 24 P.S. § 17-1701-A et seq., which primarily became effective June 19, 1997, and has subsequently been amended.

The Charter School Law provides for the powers, requirements, and establishment of charter schools. The Charter School Law was passed to provide opportunities to teachers, parents, pupils and community members to establish and maintain schools that operate independently from the existing school district structure as a method to accomplish all of the following: (1) improve pupil learning; (2) increase learning opportunities for all pupils; (3) encourage the use of different and innovative teaching methods; (4) create new professional opportunities for teachers; (5) provide parents and pupils with expanded choices in types of educational opportunities that are available within the public school system; and (6) hold charter schools accountable for meeting measurable academic standards and provide the school with a method to establish accountability systems.

The charter school assures that it will comply with the requirements of the Charter School Law and any provision of law from which the charter school has not been exempted, including Federal laws and regulations governing children with disabilities. The charter school also assures that it will comply with the policies, regulations and procedures of the Pennsylvania Department of Education (Department). Additional information about charter schools is available on the Pennsylvania Department's website at: <http://www.education.state.pa.us>.

**The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.**

**Affirmed by Jack Fitzsimmons on 7/22/2014**

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*President, Board of Trustees*

**Affirmed by Joseph Proietta on 7/22/2014**

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*Chief Executive Officer*

## **Ethics Act Affirmation**

Pennsylvania's current Public Official and Employee Ethics Act (Ethics Act), Act 93 of 1998, Chapter 11, 65 Pa.C.S. § 1101 et seq., became effective December 14, 1998 and has subsequently been amended.

The Ethics Act provides that public office is a public trust and that any effort to realize personal financial gain through public office other than compensation provided by law is a violation of that trust. The Ethics Act was passed to strengthen the faith and confidence of the people of Pennsylvania in their government. The Pennsylvania State Ethics Commission (Commission) administers and enforces the provisions of the Ethics Acts and provides guidance regarding its requirements.

The regulations of the Commission set forth the procedures applicable to all proceedings before the Commission as well as for the administration of the Statement of Financial Interests filing requirements. See 51 Pa. Code § 11.1 et seq.

The charter school assures that it will comply with the requirements of the Ethics Act and with the policies, regulations and procedures of the Commission. Additional information about the Ethics Act is available on the Commission's website at: <http://www.ethics.state.pa.us>.

**The Chief Executive Officer and Board of Trustees President of the charter school must sign this assurance.**

**Affirmed by Jack Fitzsimmons on 7/22/2014**

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*President, Board of Trustees*

**Affirmed by Joseph Proietta on 7/22/2014**

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*Chief Executive Officer*

**Community Academy of Philadelphia, a Pennsylvania Charter School**

**SY 2013-2014**

Name of employee (List all names in alphabetical order)	PPID# /Certificate# DO NOT ENTER SSN	Areas of Certification Type of Certificate	Grades Teaching or Serving	All Areas of Assigment Subject Areas Teaching or Services Provided	Number of Hours Worked in Assignment	% of Time in Cert. Position	% of Time in Areas Not Cert.
Arbogast, Morgan		Commonwealth of PA Professional Counselor	5th-12th	Clinical Counselor	40	NA	NA
Barnshaw, James R.		Instructional I Social Studies	11th,12th	History Teacher	40	100%	0
Beiderman, Kimberly F.		Instructional II Program Specialist ESL, Reading Specialist, Elementary K-6, & Principal K-12 , Supervisor of Curriculum & Inst.	K-12	ELL Coordinaoor	40	100%	0
Benvenuto, Andrea J. (Walkup)		Instructional I-Library Science (K-12)	K-12	Librarian	40	100%	0
Bittinger, Gina M.		Administrative I Principal K-12  Instructional II English 7-12	K-8th	Elementary School Principal & MS Honors English Teacher	40	100%	0
Blakemore, Eric		Instructional I Elementary K-6, Mid- level Mathematics 7-9, Special Education N-12	9th	Special Education Teacher- Mathematics	40	100%	0
Buglak, Nicole(Cunningham)		Intstructional I Elementary K-6, Special Education N-12		Special Education Teacher	40	100%	0
Bollendorf, Bridget		Instructional I Special Education PK-8, Early Childhood PK-4	4th, 5th	Mathematics Teacher	40	100%	0
Butler, Joann M.		Instructional II Elementary K-6	4th	4th Grade -All subjects	40	100%	0
Cappo, Ashley		Instructional I Spanish K-12	10th-11th	Spanish	40	100%	0
Carobine, Jennifer L.(Tietz)		Instructional I Early Childhood N-3, ESL K12	3rd	3rd Grade-All subjects	40	100%	0
Collins, Anastasia		Instructional I Elementary K-6	7th & 8th	Middle School Science Teacher	40	100%	0
Corso, Sara L.		Instructional II Art K-12, ESL K-12, SPED N-12	11th, 12th	Art 1 & 2	40	100%	0
Dannaway, John		Instructional I Mathematics 7-12	10th-11th	Math Teacher	40	100%	0
Devito, Jaclyn		Instructional I K-6	6-Apr	Elementary Teacher	40	100%	0
Dickson, Timothy		Instructional I Elementary K-6 & Social Studies	5th & 6th	Social Studies Teacher	40	100%	0
Dolan, Kelly A.		Instructional II Music	11th	Music Teacher	40	100%	0
Domi, Shquipe		Instructional II Elementary K-6	1st	1st Grade Teacher-All teachers	40	100%	0
Donnelly, Beth Ann		Instructional I Elementary K-6	2nd	2nd Grade-All subjects	40	100%	0
Donohue, Brianne		Instructional I K-6	2nd	2nd Grade-All subjects	40	100%	0
Duvivier, Anna		Chief Operating Officer, Chief of Staff & Federal Programs Coordinator	NA	Chief Operating Officer & Chief of Staff	40	100%	0
Eddy, Maureen C.		Instructional II Special Ed N-12, Instructional II Elementary K-6 & Program Specialist ESL K-12, Instructional II English 7-12	10th-11th	Special Education Coordinator, Life Skills Teacher	40	100%	0
Esquivel-Rausch, Jessica L.		Educational Specialist II- School Psychologist	K-12th	School Psychologist	20	100%	0

Fierko, Patrice		Instructional II Reading Specialist, Instructional II Elementary K-6 & Instructional II Early Childhood N-3 & ESL K-12	K-4th	Reading Specialist	40	100%	0
Finnegan, Danielle		Instructional I Special Education N-12 & Instructional I Elementary K-6, Mid-Level Mathematics 7-9	5th, 7th-8th	Special Education Coordinator, SPED Math & Writing Teacher	40	100%	0
Gallagher, Kimberly M		Instructional II English 7-12, Instructional II Mid-level English 7-12, Instructional II Early Childhood N-3, Instructional II Elementary K-6, Instructional II Mentally and/or Physically Handicapped	10th	Intensive Learning Teacher	40	50%	50
Gibson, Susan		Instructional I Social Studies, ESL K-12, Mid-level Mathematics 7-9	7th	Mathematics, Writing & Social Studies Teacher	40	100%	0%
Giorno, Isabella		Instructional I Reading Specialist K-12	7th & 8th	Reading Specialist	40	100%	0%
Gonzalez, Natalee		Instructional I Elementary K-6	K	Kindergarten Teacher	40	100%	0%
Greenman, Allison		English 7-12	12-Sep	Substitute/Building Support Teacher	40	100%	0%
Quenzel, Bobbi Jean (Havers)		Instructional I English 7-12	11th-12th	English & Humanities Teacher	40	100%	0
Hennessey, Christine		Instructional I Elementary K-6 & Special Education N-12	9th	Life Skills, English & Social Studies	40	100%	0
Heying, Christine		Instructional II- Social Studies, Latin, English 7-12, Principal K-12	9th-12th	Latin, Asian Cultures, Civics & US History AP	40	100%	0
Hinkson, Janice		Instructional II Elementary K-6, ESL K-12	5th-6th	Mathematics Teacher	40	100%	0
Hitchner, Eric S.		Instructional I English 7-12	9th-11th	English Teacher	40	100%	0
Hufford, Daniel		Instructional I Spanish	10th, 12th	AP Spanish	40	100%	0
Janik, Heather T		Instructional II Chemistry K-12	10th	Chemistry	40	100%	0
Jetter-Henson, Kim		Instructional II Reading Specialist & Early Childhood N-3	9th, 10th	Literature & Writing Teacher/Asst. CAO	40	100%	0
Jimenez, Julia		Dean of Students	9th-12th	Dean of Students	40	NA	NA
Kiesel, Michelle		Instructional II Early Childhood N-3, English 7-12 & Elementary K-6	7th & 8th	7th & 8th ELA Teacher	40	100%	NA
Kinn, Stephanie A. (Brenneisen)		Instructional II Health & Physical Education	10th	Health & Physical Education	40	100%	0
Knower, Cyrus		Instructional II Elementary K-6 & Instructional II Social Studies	7th-8th	Social Studies Teacher	40	100%	0
Kuntz, Danielle M. (Straub)		Instructional I (Mid Level Mathematics 7-9), Special Ed N-12, Instructional II Mid-Level Science 7-9 & Instructional Elementary K-6	10th	Special Education Coordinator & Teacher	40	100%	0
LeCony, Robert		Instructional I Biology 7-12, Earth & Space Science 7-12	9th-11th	Science & Biology Teacher	40	100%	0
Legatt, Joel		Instructional I Mathematics 7-12	10th	Mathematics Teacher	40	100%	0
Nunez-Lebron, Evelyn		Administrative I Principal K-6 Instructional I Early Childhood K-3	K-8th	Deputy CEO	40	100%	0
Ly, Danny		Instructional I Mathematics 7-12	9th, 11th	Mathematics Teacher	40	100%	0
Mabery, Aykema		Chief Financial Officer	K-12	Business Manager	40	NA	NA
Mackfee, Megan		Instructional I Elementary K-6, Midlevel Mathematics 7-9	6th-8th	Mathematics Teacher	40	100%	0
Maicher, Shannon M. (Ditchkovsky)		Instructional II Special Education N-12, Elementary K-6 & Mid-Level Mathematics 7-9	5th & 6th	Special Education Coordinator & SPED Mathematics Teacher	40	100%	0
Malora, Kimberly		Educational Specialist I Counselor K-6	K-6	Counselor	40	100%	0

Marchetti, Maria A.		Instructional II English 7-12, Program Specialist ESL, Principal K-12	9th	ILA Teacher	40	100%	0
Mariner, Christine R.		Instructional II Reading Specialist, ESL K-12 & Elementary K-6	3rd	Reading Specialist	40	100%	0
Matzke, Roger W.		Instructional II Mathematics 7-12, Physics 7-12	11th-12th	Math, Physics & AP Calculus Teacher	40	100%	0
McAuley, Ryan M.		Instructional I Special Education N-12 & Elementary K-6	K-4	Special Education Teacher	40	100%	0
McCluskey, Elizabeth A.		Instructional II English 7-12 & Administrative II- Principal K-12	10th,12th	AP English Teacher & Chief Academic Officer	40	100%	0
McGuckin, Amanda		Instructional I Elementary K-6	3	Elementary Teacher	40	1001%	0
McLaughlin, Cassandra P.		Instructional II Mental and/or Physically Handicapped, Instructional II Eng. 7-12 & Instructional II Elementary K-6	K-12	Special Education  Coordinator	40	100%	0
McNamara, Janis L.		Instructional II Elementary K-6	5th-6th	ILA Teacher	40	100%	0
Melle, Katherine		Instructional I Special Education N-12 & Social Studies 7-12	K-8	Elementary Teacher	40	100%	0
Mostak, John L.		Instructional II Social Studies & Administrative Principal K-12	11th	IL Teacher	40	100%	0
O'Brien Proietta, Alberta R.		Administrative II Principal K-12 & Instructional II Mathematics 7-12	9th-12th	Upper School Principal & DCEO, School Operations	40	100%	0
Orlando, Christopher		Instructional II Music	K-8th	Music Teacher	40	100%	0
Pierce, David J.		Instructional II Mathematics 7-12	12th	Mathematics Teacher	40	100%	0
Pogorzelski, Marifrances E.		Instructional I Elementary K-6,ESL K-12	5th-6th	Creative Writing & Study Skills	40	100%	0
Porreca, Brooke		Instructional I Elementary K-6, ESL K-12	4th	4th Grade Teacher	40	100%	0
Proietta, Joseph HG		Chief Executive Officer, AP History Teacher	K-12	CEO, AP History Teacher(12th)	40	NA	NA
Proietta, Mary L.		Instructional II Reading Specialist & Elementary K- 6, Early Childhood N-3, ESL K-12	1st-4th	Reading Specialist & Athletic Director	40	100%	0
Proietta, Maureen		No Certification-HQT Individualized Professional Development Plan in Place	9th,12th	Humanities Teacher	40	0%	100
Quinn, Stephanie J.		Instructional I Special Education N-12	3rd	SPED Phonics Teacher & Special Education Coordinator	40	100%	0
Randles, Kathleen M.		Instructional II Reading Specialist & Elementary K- 6, ESL K-12	9th-11th	Reading Specialist	40	100%	0
Richichi, Anthony T.		Instructional II Earth & Space Science, General Science, Environmental Education K-12, Principal K-12, Instructional I Biology 7-12	9th,12th	Environmental Science,  Biology	40	80%	20%
Rivera, Lisette		Commonwealth of PA Professional Counselor  License	K-12th	Clinical Counselor, EST Supervisor, HS Social Worker	40	NA	NA
Rivera, Melissa		Instructional I Elementary K-6, ESL K-12, SPEC N- 12	7th-8th	Mathematics Teacher	40	100%	0
Robinson, David J.		Administrative I Principal K-12 Instructional II- Mid-Level Mathematics 7-9, Elementary K-6	K-8th	Vice Prinicipal, Honors 8th  grade Math	40	100%	0
Rodriguez, Yeidy M.		VP and Special Asst. to the President	K-12	VP and Special Asst. to the President	40	NA	NA
Rojewski, Christine		Instructional I English 7-12	9th,12th	English Teacher	40	100%	0
Russak, Jacqueline E.		Commonwealth of PA Clinical Social Worker License	8th-12th	Social Worker	40	NA	NA
Saba, Bridgette		Commonwealth of Pa Athletic Trainer	9th-12th	Athletic Trainer	40	NA	NA

Scapellati, Jennifer A.		Instructional II English 7-12	9th-10th, 12th	English, Writing & Literature	40	100%	0
Sheckler, Kathleen M.		Instructional I Elementary K-6, Mid-Level Mathematics 7-9, Reading Specialist & Special Education N-12	K	Kindergarten Teacher	40	100%	0
Sicilia, Linda Anne		Instructional II Elementary K-6, Reading Specialist, Program Specialist ESL & Early Childhood N-3	K	Kindergarten Teacher	40	100%	0
Simms, Nikki		Instructional I Biology 7-12, Mid-Level Science 7-9	9th,10th	Science Teacher	40	100%	0
Smith, Jaclyn M.		Instructional II English 7-12 & Program Specialist ESL	7th-8th	Creative Writing Teacher	40	100%	0
Smith, Meghan M.		Instructional I Elementary K-6, Special Education N 12	1st	1st grade Teacher	40	100%	0
Smith, Sara B.		Instructional I Biology		Science and Technology Teacher	40	50%	50
Stendardo, Erin		Instructional I Elementary K-6	2nd	2nd grade Teacher	40	100%	0
Termini, Michael P.		Instructional I History & Mid-Level Mathematics 7-9	9th,11th	World History	40	100%	0
Vazquez, Sonia		Instructional II English 7-12	9th, 11th- 12th	Creative Writing Teacher & English	40	100%	0
Wagner, Joshua		Educational Specialist I Inst. Technology, Instructional II- Social Studies	10th	US History I	40	100%	0
Wnek, Lorie		Instructional II Elementary K-6 & Early Childhood N 3, Reading Specialist	K	Kindergarten Teacher	40	100%	0
Wolfe, Judy Lynn		Educational Specialist II School Nurse	K-12	School Nurse	40	100	0
Yodis, Jessica		Instructional II Elementary K-6 & Reading Specialist	K-8	Reading Specialist	40	100	0
	Total Number of Administrators (do not include CEO) ___5___						
	Total Number of Teachers ___77___ Counselors ___4___ School Nurses ___1___ Others ___6___						
	Total Number of Professional Staff _93_						
PA Department of Education, 333 Market Street, Harrisburg, PA 17126-0333							

**Community Academy of Philadelphia**

**Financial Statements  
And  
Independent Auditors' Report**

**Year Ended June 30, 2013**

**Community Academy of Philadelphia**  
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**Year Ended June 30, 2013**

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## **Independent Auditor's Report**

To the Board of Trustees  
Community Academy of Philadelphia  
Philadelphia, Pennsylvania

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and the major fund of Community Academy of Philadelphia (the School), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and the major fund of Community Academy of Philadelphia as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Community Academy of Philadelphia's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 2, 2013, on our consideration of Community Academy of Philadelphia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the School's internal control over financial reporting and compliance.

*SD Associates P.C.*

Certified Public Accountants  
Elkins Park, Pennsylvania

December 2, 2013

# Community Academy of Philadelphia Management's Discussion and Analysis June 30, 2013

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The Board of Trustees of Community Academy of Philadelphia (the School) offers readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2013. We encourage readers to consider the information presented here in conjunction with the School's financial statements.

## Financial Highlights

- Total revenues increased \$491,588 due primarily to an increase of \$541,518 in the per student subsidy for both regular education students and special education students.
- At the close of the current fiscal year, the School reports an ending general fund balance of \$1,161,233. This balance was the result of a \$846,170 surplus for the year ended June 30, 2013.
- The School's cash balance at June 30, 2013 was \$1,748,818 representing an increase of \$1,141,248 from June 30, 2012.
- During July 2012, The US Department of Justice, Civil Division served Civil Investigative Demand on the School in connection with 2009 federal investigation (see Note 15). The School has received no specific information from the government as to the probable cause for the retrieval of records or the subject matter of the investigation.

- On or about June 2, 2011, the School filed an appeal to the Commonwealth of Pennsylvania State Charter School Appeal Board based on the failure by the Philadelphia School District Reform Commission (the SRC) to renew the school's charter by June 30, 2011, the date on which the charter was set to expire. This was despite the SRC's majority vote on two separate occasions in favor of the renewal (see Note 15). On July 12, 2012, the Appeal Board issued an order and opinion dismissing the appeal on the alleged basis that it lacked jurisdiction over the appeal, as it alleged that the SRC had not rendered a decision of non-renewal of the School's charter. On January 17, 2013 the SRC did institute non-renewal/revocation proceedings claiming the School failed to satisfy Pennsylvania's "student academic performance requirements" and questions regarding the School's financial health. The SRC appointed a Hearing Officer to conduct public hearings between April 29, 2013 and June 18, 2013. The School is contesting the non-renewal/revocation proceedings and other matters and will continue to appeal and defend its right for their charter renewal.

## Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements as presented comprise four components: Management's Discussion and Analysis (this section), the basic financial statements, supplementary information, and single audit requirements.

# Community Academy of Philadelphia Management's Discussion and Analysis June 30, 2013

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## Overview of the Financial Statements (Continued)

### *Government-Wide Financial Statements*

The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the School's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the components (assets and deferred outflows of resources, less liabilities and deferred inflows of resources) reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The *statement of activities* presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

### *Fund Financial Statements*

The government-wide financial statements report on the function of the School that is principally supported by subsidies from school districts whose constituents attend the School.

In the statement of net assets and the statement of activities, the School is divided into two kinds of activities:

Governmental activities - Most of the School's basic services are reported here.

Business-type activities - The School charges students a reduced fee for breakfast and lunch.

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The School, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The School's two kinds of funds, governmental and proprietary, use different accounting approaches.

Most of the School's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. Such information is useful in assessing the School's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

# Community Academy of Philadelphia Management's Discussion and Analysis June 30, 2013

## Overview of the Financial Statements (Continued)

### *Fund Financial Statements (Continued)*

When the School charges students for services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the School's enterprise fund (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information, such as cash flows, for proprietary funds.

### *Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

### *Supplementary Information*

The governmental fund budgetary comparison schedule is presented for purposes of additional analysis. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*.

### **Government-Wide Financial Analysis**

Management has adopted Governmental Accounting Standards Board (GASB) Statement 34 which requires a comparative analysis of current and prior periods.

	2013	2012
<b>Assets</b>		
Current assets	\$ 2,535,732	\$ 1,637,012
Capital assets, net	471,458	552,505
	3,007,190	2,189,517
<b>Liabilities</b>	1,417,445	1,386,455
<b>Net Position</b>	\$ 1,589,745	\$ 803,062

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the School, assets exceeded liabilities by \$1,589,745 as of June 30, 2013, an increase of \$786,683 from June 30, 2012.

The School's revenues are predominately the School District of Philadelphia's funds based on the student enrollment. For the year ended June 30, 2013, the School's revenues of \$15,129,497 exceeded expenditures of \$14,342,814 by \$786,683, an increase of \$257,705 as compared to the preceding year.

**Community Academy of Philadelphia  
Management's Discussion and Analysis  
June 30, 2013**

**Government-Wide Financial Analysis (Continued)**

	<u>2013</u>	<u>2012</u>
<b>Revenues</b>		
Program revenues		
Local educational agency assistance	\$12,006,857	\$ 12,548,375
Food service	789,922	768,821
State sources	828,090	723,478
Federal sources	1,185,545	1,254,220
General revenues		
Other sources	319,083	326,191
Total revenues	<u>15,129,497</u>	<u>15,621,085</u>
<b>Expenditures</b>		
Instruction	6,432,144	7,071,004
Support services	6,284,071	6,424,161
Noninstructional services	1,400,855	1,331,056
Depreciation and amortization	221,969	260,540
Interest expense	3,775	5,346
Total expenditures	<u>14,342,814</u>	<u>15,092,107</u>
Change in net position	786,683	528,978
Net position, beginning	<u>803,062</u>	<u>274,084</u>
Net position, ending	<u>\$ 1,589,745</u>	<u>\$ 803,062</u>

**Governmental Fund**

The focus of the School's *governmental fund* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, *fund balance* may serve as a useful measure of a government's net resources available for spending for program purposes at the end of the fiscal year.

The School's governmental fund (the General Fund) reported an ending fund balance of \$1,161,233.

**Budget Variations**

The actual revenues represent an increase from budgeted revenues of \$403,202 due to a decrease in state source revenue of \$10,331, and an increase in the per student subsidy of \$27,666, an increase in federal sources \$245,784 and other source revenue of \$140,083.

# Community Academy of Philadelphia Management's Discussion and Analysis June 30, 2013

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## **Budget Variations (Continued)**

Actual expenditures decreased \$462,573 over the budget, due to a decrease in noninstructional services of \$92,892 and debt service of \$48,972 and increases in instructional and support expenditures of \$535,850 and capital outlay of \$68,587.

## **Capital Asset and Debt Administration**

### *Capital Assets*

As of June 30, 2013, the School's investment in capital assets for its governmental activities totaled \$471,458 (net of accumulated depreciation). This investment in capital assets includes vehicles, classroom and office furniture, computer equipment, and leasehold improvements.

Major capital asset purchases during the year included the following:

- Capital expenditures of \$122,103 for furniture, computer and office equipment and vehicles.
- Capital expenditures of \$14,405 for leasehold improvements.

Additional information on the School's capital assets can be found in Note 5 of this report.

### *Long-Term Debt*

As of June 30, 2013, the School has capital leases of \$43,673. Additional information on the School's long-term debt can be found in Note 6 and Note 7 of this report.

## **Economic Factors and Next Year's Budgets and Rates**

The School's primary source of revenue, tuition payments from the School District of Philadelphia, will increase by approximately \$750,000 for fiscal year 2013-2014, due primarily to increases in the tuition rate for regular education and special education of 6.6% and 12.1%, respectively. The School also expects higher inflationary increases in retirement contributions and health insurance expenses.

## **Future Events That Will Financially Impact the School**

Except as listed in the above economic factors, there are no known additional future events that will financially impact the school.

## **Contacting the School's Financial Management**

The financial report is designed to provide interested parties a general overview of the School's finances. Questions regarding any of the information provided in this report should be addressed to the Chief Executive Officer, Community Academy of Philadelphia, 1100 East Erie Avenue, Philadelphia, Pennsylvania 19124.

**Community Academy of Philadelphia**  
**Statement of Net Position**  
**June 30, 2013**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Totals</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,748,571	\$ 247	\$ 1,748,818
State subsidies receivable	399,611	1,733	401,344
Federal subsidies receivable	162,343	25,789	188,132
Employee loans receivable	2,846	-	2,846
Due from related party	104,124	-	104,124
Prepaid expenses	90,468	-	90,468
Total current assets	2,507,963	27,769	2,535,732
Property and equipment, net	464,991	6,467	471,458
	<u>2,972,954</u>	<u>34,236</u>	<u>3,007,190</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued expenses	1,329,704	27,042	1,356,746
Current maturities of capital lease obligation	20,172	-	20,172
Deferred revenue	17,026	-	17,026
Total current liabilities	1,366,902	27,042	1,393,944
Long-term portion of capital lease obligation	23,501	-	23,501
	<u>1,390,403</u>	<u>27,042</u>	<u>1,417,445</u>
<b>Net Position</b>			
Unrestricted	1,161,233	7,194	1,168,427
Invested in capital assets, net of related debt	421,318	-	421,318
	<u>\$ 1,582,551</u>	<u>\$ 7,194</u>	<u>\$ 1,589,745</u>

See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Statement of Activities**  
**Year Ended June 30, 2013**

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets		Totals
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities</b>						
Instruction	\$ 6,432,144	\$ 6,089,702	\$ 1,552,770	\$ 1,210,328	\$ -	\$ 1,210,328
Support services	6,284,071	5,933,522	436,295	85,746	-	85,746
Noninstructional services	569,173	279,719	24,570	(264,884)	-	(264,884)
Depreciation and amortization	221,969	-	-	(221,969)	-	(221,969)
Interest expense	3,775	-	-	(3,775)	-	(3,775)
Total governmental activities	<u>13,511,132</u>	<u>12,302,943</u>	<u>2,013,635</u>	<u>805,446</u>	<u>-</u>	<u>805,446</u>
<b>Business-Type Activities</b>						
Food service	831,682	5,214	784,708	-	(41,760)	(41,760)
	<u>\$ 14,342,814</u>	<u>\$ 12,308,157</u>	<u>\$ 2,798,343</u>	805,446	(41,760)	763,686
<b>General Revenues</b>						
Other revenues				16,697	-	16,697
Contributions and donations				6,300	-	6,300
Transfers				(44,335)	44,335	-
<b>Change in net position</b>				784,108	2,575	786,683
<b>Net Position - Beginning of Year</b>				<u>798,443</u>	<u>4,619</u>	<u>803,062</u>
<b>Net Position - End of Year</b>				<u>\$ 1,582,551</u>	<u>\$ 7,194</u>	<u>\$ 1,589,745</u>

See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Balance Sheet-Governmental Funds**  
**June 30, 2013**

	General Fund
<b>Assets</b>	
Cash and cash equivalents	\$ 1,748,571
Local education agency assistance receivable	
State subsidies receivable	399,611
Federal subsidies receivable	162,343
Employee loans receivable	2,846
Due from related party	104,124
Prepaid expenses	90,468
Total current assets	\$ 2,507,963
<b>Liabilities</b>	
Accounts payable and accrued expenses	\$ 1,329,704
Deferred revenue	17,026
Total current liabilities	1,346,730
<b>Fund Balance</b>	
Nonspendable	90,468
Unassigned	1,070,765
	1,161,233
	\$ 2,507,963

See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**To the Statement of Net Position**  
**June 30, 2013**

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<b>Total Fund Balance for Governmental Funds</b>	<b>\$ 1,161,233</b>
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Furniture and equipment	2,584,531	
Vehicles	213,476	
Leasehold improvements	49,414	
Accumulated depreciation and amortization	<u>(2,382,430)</u>	464,991

Long-term liabilities that pertain to governmental funds, including notes payable and capital lease obligations, are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at year end are:

Capital lease obligations	<u>(43,673)</u>
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<b>Total Net Position of Governmental Activities</b>	<b><u>\$ 1,582,551</u></b>
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See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance-**  
**Governmental Funds**  
**Year Ended June 30, 2013**

	General Fund
<b>Revenues</b>	
Local education agency assistance	\$ 12,006,857
Federal sources	1,185,545
State sources	828,090
Other sources	319,083
Total revenues	14,339,575
<b>Expenditures</b>	
Instruction	6,432,144
Support services	6,284,071
Noninstructional services	569,173
Capital outlay	136,508
Debt service	48,972
Total expenditures	13,470,868
<b>Revenues in Excess of Expenditures</b>	<b>868,707</b>
<b>Other Financing Uses (Sources)</b>	
Capital lease obligation	21,798
Interfund transfers out	(44,335)
Total other financing uses	(22,537)
<b>Excess of Revenues Over Expenditures and Other Financing Uses</b>	<b>846,170</b>
<b>Fund Balance - Beginning of Year</b>	<b>315,063</b>
<b>Fund Balance - End of Year</b>	<b>\$ 1,161,233</b>

See accompanying notes to financial statements.

**Community Academy of Philadelphia  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
Year Ended June 30, 2013**

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 846,170</b>
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Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which capital outlays exceeds depreciation in the current period.

Capital outlays	136,508	
Depreciation and amortization expense	<u>(221,969)</u>	(85,461)

The governmental funds report note proceeds as financing sources, while repayment of note principal is reported as an expenditure. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities and repayment of principal reduces the liability. The net effect of these differences in the treatment of notes payable is as follows:

Capital lease obligation	(21,798)	
Principal payments on long-term debt	<u>45,197</u>	<u>23,399</u>

<b>Change in Net Position of Governmental Activities</b>	<b>\$ <u>784,108</u></b>
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See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Statement of Net Position**  
**Proprietary Fund**  
**June 30, 2013**

	Enterprise Fund
	Food Service Fund
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 247
Federal subsidies receivable	25,789
State subsidies receivable	1,733
Total current assets	27,769
Equipment, net	6,467
	34,236
<b>Liabilities</b>	
Current liabilities	
Accounts payable and accrued expenses	27,042
Total current liabilities	27,042
<b>Net Position</b>	
Unrestricted	\$ 7,194

See accompanying notes to financial statements.

**Community Academy of Philadelphia**  
**Statement of Revenues, Expenditures, and Changes in Net Position-**  
**Proprietary Fund**  
**Year Ended June 30, 2013**

	Enterprise Fund
	Food Service Fund
<b>Operating Income</b>	
Food service revenue	\$ 5,214
<b>Operating Expenses</b>	
Food and related costs	828,978
Depreciation	2,704
	831,682
<b>Operating loss</b>	(826,468)
<b>Nonoperating Revenues</b>	
Federal and state grants	784,708
<b>Loss before interfund transfers</b>	(41,760)
Interfund transfers in	44,335
<b>Change in Net Position</b>	2,575
<b>Net Position - Beginning of Year</b>	4,619
<b>Net Position - End of Year</b>	\$ 7,194

See accompanying notes to financial statements.

**Community Academy of Philadelphia  
Statement of Cash Flows  
Proprietary Fund  
Year Ended June 30, 2013**

	Enterprise Fund
	Food Service Fund
<b>Cash Flows From Operating Activities</b>	
Cash received from students	\$ 5,214
Payments to suppliers and other related costs	(798,391)
Net cash used in operating activities	(793,177)
<b>Cash Flows From Noncapital Financing Activities</b>	
Federal and state grants	754,501
Transfer from other fund	44,335
Net cash provided by noncapital financing activities	798,836
<b>Cash Flows From Capital and Related Financing Activities</b>	
Equipment purchases	(7,120)
Net cash used in capital and related financing activities	(7,120)
<b>Net decrease in cash and cash equivalents</b>	(1,461)
<b>Cash and cash equivalents, beginning of year</b>	1,708
<b>Cash and cash equivalents, end of year</b>	\$ 247
<b>Reconciliation of Operating Loss to Net Cash Used In Operating Activities</b>	
Operating loss	\$ (826,468)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	2,704
Donated food included in expense	44,300
Changes in operating assets and liabilities:	
Accounts payable and accrued expenses	(13,713)
Net cash used in operating activities	\$ (793,177)

See accompanying notes to financial statements.

# Community Academy of Philadelphia

## Notes to Financial Statements

### June 30, 2013

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#### **Note 1 Background and Summary of Significant Accounting Policies**

Community Academy of Philadelphia (the School) is organized as a nonprofit corporation in Pennsylvania to operate a charter school in accordance with Pennsylvania Act 22 of 1997. The School includes grades kindergarten through twelve.

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School's accounting policies are described below.

#### **Government-Wide and Fund Financial Statements**

The government-wide financial statements (the statement of net position and the statement of activities) report on the School as a whole. The statement of activities demonstrates the degree to which the direct expenses of the School's function are offset by program revenues.

The fund financial statements (governmental fund balance sheet and statement of governmental fund revenues, expenditures and changes in fund balance) report on the School's general fund.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

##### **Government-Wide Financial Statements:**

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

##### **Fund Financial Statements**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within 90 days of the end of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The funds utilized by the School and brief descriptions of their accounting purposes are as follows:

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

*Governmental Fund* - The fund listed below is the fund through which most governmental functions are furnished.

General Fund – The General Fund is the operating fund of the School and accounts for all revenues and expenditures of the School.

*Proprietary Fund* - The focus of proprietary fund measurement is upon determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the School:

Enterprise funds are required to be used to account for operations for which a fee is charged to external users for goods or services, and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs.

Amounts reported as program revenues include a per-student subsidy from local school districts as well as federal and state grants. Internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

**Method of Accounting**

The School has adopted the provision of Statement No. 34 (“Statement 34”) of the Governmental Accounting Standards Board “*Basic Financial Statements – and Managements’ Discussion and Analysis – for State and Local Governments.*” Statement 34 established standards for external financial reporting for all state and local governmental entities, which includes a statement of net position, and a statement of activities. It requires the classification of net position into three components – invested in capital assets, net of related debt; restricted; and unrestricted. These calculations are defined as follows:

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Method of Accounting (Continued)**

- Invested in capital assets, net of related debt – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.
  
- Restricted – This component of net position consists of constraints placed on net asset use through external constraints imposed by creditors such as through debt covenants, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
  
- Unrestricted net position – This component of net position typically includes unrestricted liquid assets.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed for the included program.

**Fund Balances - Governmental Funds**

The School elected to implement GASB No. 54, *Fund Balance Reporting and Governmental Type Definition* during the year ended June 30, 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The School classified prepaid expenses as being nonspendable as these items are not expected to be converted to cash.
  
- Restricted - included amounts restricted by external sources, such as creditors or grantors, or by constitutional provision or enabling legislation.
  
- Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees.
  
- Assigned - includes amounts that the School intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance.
  
- Unassigned - includes all amounts that are not included in other spendable classifications.

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Fund Balances - Governmental Funds (Continued)**

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the School considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the School considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees has provided otherwise in its commitment or assignment actions.

**Budgets and Budgetary Accounting**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual budget is adopted for the General Fund.

The Budgetary Comparison Schedule should present both the original and the final appropriated budgets for the reporting period. The School only has a general fund budget; therefore, the original budget filed and accepted by the Pennsylvania Department of Education is the final budget as well.

**Use of Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The School's cash is considered to be cash on hand and demand deposits.

**Transfers**

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to move unrestricted revenue collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 1 Background and Summary of Significant Accounting Policies (Continued)**

**Capital Assets**

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. All capital assets are capitalized at cost and updated for additions and retirements during the year. The School does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. The School established a threshold of \$2,000 for capitalization of depreciable assets. Similar items purchased in the same timeframe and items related to the same project or purchase can be pooled together for capitalization and depreciation. Capital assets of the School are depreciated using the straight-line method over the useful lives of the assets; furniture and equipment (5-7 years), vehicles (5-7 years), and leasehold improvements (27 years).

**Income Tax Status**

The School is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Service Code. The School adopted the provisions of FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*, for the year ended June 30, 2010. Management evaluated the School's tax positions and concluded that the School had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. The School files a Return of Organizations Exempt from Income Tax annually. The School's returns for 2010, 2011 and 2012 are subject to examination by the IRS, generally for three years after they were filed (see Note 15).

**Note 2 Cash and Cash Equivalents**

The School's cash and cash equivalents balance at June 30, 2013, was \$1,748,818. The actual amount of cash on deposit in the School's bank accounts at June 30, 2013 was \$1,794,901. As of June 30, 2013, \$991,653 exceeded the \$250,000 Federal Deposit Insurance Corporation (FDIC) insurance coverage limits. The Organization does not believe they are exposed to any credit risk.

**Custodial Credit Risk-Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the School's uninsured deposits may not be returned. The School does not have a policy for custodial credit risk.

**Note 3 State and Federal Subsidies Receivable**

State and Federal subsidies receivable at June 30, 2013 consist primarily of subsidies from federal and state authorities under various programs and grants. All receivables are considered collectible due to the stable condition of these programs.

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 4 Other Receivables**

At June 30, 2013, an employee owed \$2,846 to the School. The loan bears interest at the federal applicable interest rate and is unsecured.

**Note 5 Capital Assets**

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance, 7/1/12	Additions	Balance, 6/30/13
<b>Governmental Activities</b>			
Vehicles	\$ 213,476	\$ -	\$ 213,476
Furniture and equipment	2,462,427	122,103	2,584,530
Leasehold improvements	35,010	14,405	49,415
	<u>2,710,913</u>	<u>136,508</u>	<u>2,847,421</u>
Less: accumulated depreciation & amortization	2,160,461	221,969	2,382,430
	<u>\$ 550,452</u>	<u>\$ (85,461)</u>	<u>\$ 464,991</u>
<b>Business-Type Activities</b>			
Equipment	\$ 8,200	\$ 7,120	\$ 15,320
Less: accumulated depreciation	6,149	2,704	8,853
	<u>\$ 2,051</u>	<u>\$ 4,416</u>	<u>\$ 6,467</u>

Depreciation and amortization expense was \$224,673 for the year ended June 30, 2013.

**Note 6 Long-Term Debt**

Capital lease obligations (Note 7)	\$ 43,673
Less portion due within one year	<u>20,172</u>
Portion due after one year	<u>\$ 23,501</u>

Maturities of long-term debt are as follows:

June 30,	
2014	\$ 20,172
2015	9,655
2016	10,276
2017	3,570
	<u>\$ 43,673</u>

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 6 Long-Term Debt (Continued)**

Changes in long-term debt are as follows:

Balance, July 1, 2012	\$	67,072
Capital lease obligation		21,798
Repayments of principal		(45,197)
Balance, June 30, 2013	\$	43,673

Interest expense was \$3,775 for the year ended June 30, 2013.

**Note 7 Capital Lease Obligations**

Computer and office equipment and vehicles costing \$75,969 with net book values of \$43,809 are held under capital leases with interest rates ranging from 3.7% to 6.3% per annum. The following is a schedule of future minimum lease payments required as of June 30, 2013:

Total minimum lease payments due	\$	58,535
Less amounts representing interest		14,862
Present value of net minimum lease payments	\$	43,673

**Note 8 Interfund Transfers**

Operating transfers in/out to other funds consists of the following:

	Transfer In		Transfer Out
General fund	\$	-	\$ 44,335
Food service fund		44,335	-
	\$	44,335	\$ 44,335

**Note 9 Funding**

The School receives funding from the School District of Philadelphia on a monthly basis based on enrollment. The rate of funding per student is determined on an annual basis.

The Commonwealth of Pennsylvania makes contributions on behalf of the charter school for the employer's share of retirement payments and social security payments. The School also received federal funding under the Title I, Title II, and Title III grants.

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 Commitments**

The School leased, under an operating agreement, 1100-1140 East Erie Avenue in Philadelphia, Pennsylvania. During the previous year, the lease was amended to include 1100-1140 East Erie Avenue, 1142-1152 East Erie Avenue and 2816-2822 North Fourth Street. The buildings are owned by One Bright Ray, Inc. (OBR), a related party (see Note 14). During the previous year, OBR executed a sublease agreement with the School for 1142-1152 East Erie Avenue and 2816-2822 North Fourth Street. The School's lease and sublease agreements with OBR extend through June 30, 2032. In addition to the basic rentals, the School is required to pay all taxes, occupancy, maintenance costs, and costs incurred by OBR under the Bond Purchase Agreement (see Note 14).

Rent expense consists of the following:

Facilities rent expense	\$ 1,466,000
Facilities sublease rental income	(253,000)
Equipment lease	6,238
	\$ 1,219,238

Future minimum lease payments as of June 30, 2013 are as follows:

Year ending June 30,	Facilities	Facilities sublease income	Equipment lease	Total
2014	\$ 1,467,000	\$ (253,000)	\$ 6,238	\$ 1,220,238
2015	1,466,000	(253,000)	3,639	1,216,639
2016	1,463,000	(252,000)	-	1,211,000
2017	1,465,000	(253,000)	-	1,212,000
2018	1,458,000	(251,000)	-	1,207,000
Thereafter	20,258,000	(3,492,000)	-	16,766,000
	\$27,577,000	\$ (4,754,000)	\$ 9,877	\$22,832,877

**Note 11 Retirement Plan**

The School contributes to the Public School Employees' Retirement System (the System), a cost-sharing multiple-employer defined benefit pension plan administered by the Pennsylvania Public School Employees' Retirement System, which provides retirement and disability benefits, legislatively mandated ad hoc cost-of-living adjustments, and health care insurance premium assistance to qualifying annuitants. The Public School Employees' Retirement Code (Act No. 96 of October 2, 1975, as amended) (24 PA.C.S. 8101-8535) assigns the authority to establish and amend benefit provisions to the System. The System issues a *Comprehensive Annual Financial Report (CAFR)* that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained by writing to the Office of Financial Management, Public School Employees' Retirement System, PO Box 125, Harrisburg, PA 17108-0125. The *CAFR* is also available on the Publications page of the PSERS website.

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 11 Retirement Plan (Continued)**

The contribution policy is established in the Public School Employees' Retirement Code and requires contributions by active members, employers, and the Commonwealth. The rate of contribution for employees ranges from 5.25% - 12.30% depending upon classification and elections of employees. The School's contribution is 12.36%. In accordance with Act 29 of 1994, the Commonwealth of Pennsylvania will pay school entities for contributions made to the System based on the formula in Act 29 of 1994, but not less than one-half of the school entities contributions. The School's contributions to the Plan were \$866,276, \$723,085 and \$372,811 for the years ended June 30, 2013, 2012 and 2011, respectively, which equals 100% of the contractually required contribution as set by State statutes.

**Note 12 Grants**

The School participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the School has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2013 may be impaired. In the opinion of the School, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

**Note 13 Risk Management**

The School is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The School carries commercial insurance for such risks. There has been no significant reduction in insurance coverage from the previous year in any of the School's policies. Settled claims resulting from these risks have not exceeded commercial insurance coverage in the past three years.

**Note 14 Related Party**

The School is associated with One Bright Ray, Inc. (OBR). Certain employees of the school serve on the Board of OBR. As described in Note 10, the School has a lease agreement with OBR. As of June 30, 2013, the School had an amount receivable from OBR of \$104,124. There is no stated interest rate or repayment terms. In addition, the School grants a security interest in all of its assets and revenues to OBR that has been assigned to OBR's bondholders. The following is a summary of the related party activity for the year ended June 30, 2013:

Balance at July 1, 2012	\$ 387
Rent incurred by the School (net of sublease rental income of \$271,000)	1,213,000
Net reimbursements	(1,109,263)
Balance at June 30, 2013	\$ 104,124

**Community Academy of Philadelphia**  
**Notes to Financial Statements**  
**June 30, 2013**

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**Note 15 Other Matters**

In August 2009, federal search warrants were served on the facilities of the School and OBR. During July, 2012, the US Department of Justice, Civil Division served Civil Investigative Demands on the School. Legal counsel has not received specific information as to the probable cause for the retrieval of records or the subject matter of the investigation, and is unable to determine the financial effect on the School.

The School is currently involved in three related litigation matters regarding the renewal of its charter. The litigation involves the School Reform Commission (SRC) nonrenewal/revocation proceedings (SRC Proceedings); The School vs. School District of Philadelphia (SDP) and the SRC currently pending in the Pennsylvania Court of Common Pleas (CCP Proceedings); and the School vs. the SDP currently pending in the Pennsylvania Court of Common Pleas (Right to Know Proceedings).

The SRC Proceedings, the SRC had voted on October 17, 2013, after several public hearings, to either revoke or not renew the School's charter claiming the School failed to satisfy Pennsylvania's student academic performance requirements and questions about the School's financial health. On November 15, 2013, the School filed a Petition for Appeal with the State Charter Appeal Board regarding the School Board's decisions to not renew/revoke the charter and the matter is still pending.

The CCP Proceedings, the School asserts that the charter was renewed by the School Reform Commission (SRC) in February 2011 and April 2011 by its vote of 2-1 in favor of renewal. The SRC maintains that the 2-1 vote represented no action on renewal due to the absence of a quorum. On October 30, 2013 the School filed a motion with the court to declare that the SRC affirmative vote to renew the charter to be valid and effective and that decision is still pending.

The Right to Know Proceedings, the School requested documents, under the Right to Know Act, related to the school district administrators decision in 2011 that the School's charter be renewed and the 2013 recommendation the School's charter be either not renewed or revoked. The School appealed to the Office of Open Records (OOR), which ruled the SRC was required to provide those documents. The SRC has appealed the OOR decision and the OOR has until January 3, 2014 to make its decision.

The School has been assured by the SDP it will be allowed to operate during the 2013-2014 school year while charter renewal administrative proceedings continue.

**Supplementary Information**

**Community Academy of Pt  
Governmental Fund Budgetary Comparison  
Year Ended Jun**

	<b>Original/Final Budgeted Amounts</b>	<b>Actual Revenues/ Expenditures</b>
<b>Revenues</b>		
Local educational agency assistance	\$ 11,979,191	\$ 12,006,857
Other sources	179,000	319,083
State sources	838,421	828,090
Federal sources	939,761	1,185,545
Total revenues	<u>13,936,373</u>	<u>14,339,575</u>
<b>Expenditures</b>		
Instruction	6,675,046	6,432,144
Support service	6,577,019	6,284,071
Noninstructional services	476,281	569,173
Capital outlay	205,095	136,508
Debt service	-	48,972
Total expenditures	<u>13,933,441</u>	<u>13,470,868</u>
<b>Excess of Revenues Over Expenditures</b>	<u>2,932</u>	<u>868,707</u>
<b>Other Financing Sources (Uses)</b>		
Capital lease obligation	-	21,798
Interfund transfers out	-	(44,335)
	<u>-</u>	<u>(22,537)</u>
<b>Excess of Revenues Over Expenditures and Other Financing Uses</b>	2,932	846,170
<b>Fund Balance, Beginning</b>	<u>315,063</u>	<u>315,063</u>
<b>Fund Balance, Ending</b>	<u>\$ 317,995</u>	<u>\$ 1,161,233</u>

See accompanying notes to financial statements.

**Other Reports Required By Government Auditing Standards**

**Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with *Government Auditing Standards***

To the Board of Trustees  
Community Academy of Philadelphia  
Philadelphia, Pennsylvania

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and the major fund of Community Academy of Philadelphia (the School) as of and for the year ended June 30, 2013 and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon, dated December 2, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion of the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants  
Elkins Park, Pennsylvania

December 2, 2013

## **Single Audit Requirements**

**Community Academy of Philadelphia  
Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2013**

Federal Grantor/ Pass-Through Grantor	Federal CFDA Number	Pass- Through Grantor's Number	Grant Period	Program or Award	Total Received for the Year	Accrued (Deferred) Revenue 7/1/2012	Revenue Recognized	Federal Expenditures	Accrued (Deferred) Revenue 6/30/2013
<b>U.S. Department of Education</b>									
<u>Pass-Through PA Department of Education</u>									
Title I - Improving Basic Programs	84.010	013-120848	7/21/11-9/30/12	896,127	-	(82,746)	82,746	82,746	-
Title I - Improving Basic Programs	84.010	013-130848	7/1/12-9/30/13	885,159	764,365	-	779,715	779,715	15,350
Title I - Program Improvement Set Aside	84.010	042-110848	3/1/11-9/30/12	46,180	31,597	(10,071)	41,668	41,668	-
Title I - Program Improvement Set Aside	84.010	042-120848	4/17/12-9/30/13	38,436	12,812	-	2,312	2,312	(10,500)
Total Title I					808,774	(92,817)	906,441	906,441	4,850
Title II - Improving Teacher Quality	84.367	020-130848	7/1/12-9/30/13	26,744	21,500	-	23,873	23,873	2,373
Title III - Language Instruction	84.365	010-120848	7/21/11-9/30/12	22,005	9,767	(1,062)	10,829	10,829	-
Title III - Language Instruction	84.365	010-130848	7/1/12-9/30/13	20,912	6,971	-	445	445	(6,526)
<u>Pass-Through School District of Philadelphia</u>									
<u>Individuals with Disabilities Education</u>									
Act Part B	84.027	N/A	7/1/12-6/30/13	239,141	113,036	-	239,141	239,141	126,105
Total U.S. Department of Education					960,048	(93,879)	1,180,729	1,180,729	126,802
<b>U.S. Department of Agriculture</b>									
<u>Pass-Through PA Department of Education</u>									
School Breakfast Program	10.553	N/A	7/1/12-6/30/13	N/A	268,273	14,702	264,349	264,349	10,779
National School Lunch Program	10.555	N/A	7/1/12-6/30/13	N/A	438,437	23,798	429,648	429,648	15,009
<u>Pass-Through PA Department of Agriculture</u>									
National School Lunch Program	10.555	N/A	7/1/12-6/30/13	N/A	44,300	-	44,300	44,300	-
Total U.S. Department of Agriculture					751,010	38,500	738,297	738,297	25,788
Total Federal Awards					\$ 1,711,058	\$ (55,379)	\$ 1,919,026	\$ 1,919,026	\$ 152,590

See notes to schedule of expenditures of federal awards.

**Community Academy of Philadelphia**  
**Notes to Schedule of Expenditures of Federal Awards**  
**Year Ended June 30, 2013**

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**Note 1 Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Community Academy of Philadelphia (the School) and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the balance sheet, revenues, expenditures, or changes in fund balances of governmental funds of the School.

**Note 2 Summary of Significant Accounting Policies**

(1) Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State and Local Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available

**Note 3 Food Distribution**

Nonmonetary assistance is reported in the Schedule at the fair market value of the commodities received and disbursed.

**Independent Auditor's Report on Compliance for  
Each Major Program and on Internal Control Over  
Compliance Required by OMB Circular A-133**

To the Board of Trustees  
Community Academy of Philadelphia  
Philadelphia, Pennsylvania

**Report on Compliance for Each Major Federal Program**

We have audited Community Academy of Philadelphia's (the School) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2013. The School's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

**Opinion on Each major Federal Program**

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

## Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*SD Associates P.C.*

Certified Public Accountants  
Elkins Park, Pennsylvania

December 2, 2013

# Community Academy of Philadelphia Schedule of Findings and Questioned Costs Year Ended June 30, 2013

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## **A. Summary of Audit Results**

1. The auditors' report expresses an unqualified opinion on the financial statements of Community Academy of Philadelphia.
2. No significant deficiencies relating to the financial statements are reported in the Report on Compliance and on Internal Control over Financial Reporting.
3. No instances of noncompliance material to the financial statements of Community Academy of Philadelphia which would be required to be reported in accordance with *Government Auditing Standards* were disclosed during the audit.
4. No significant deficiencies relating to the audit of major federal award programs is reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance.
5. The auditors' report on compliance for the major federal award programs for Community Academy of Philadelphia expresses an unqualified opinion.
6. There were no findings which were required to be reported in accordance with Section 501(a) of OMB Circular A-133.
7. The program tested as a major program was Title 1, CFDA #84.010.
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Community Academy of Philadelphia qualified as a low-risk auditee.

## **B. Findings-Financial Statement Audit**

There were no findings relating to the financial statements which are required to be reported in accordance with *Generally Accepted Governmental Auditing Standards (GAGAS)*.

## **C. Findings and Questioned Costs-Major Federal Award Programs Audit**

There were no findings and questioned costs for federal awards, which would include audit findings as defined in OMB Circular A-133.

Preliminary Statement of Revenues, Expenditures & Fund Balances  
 Include ALL Funds  
 as of June 30, 2014

Name of School \_\_\_\_\_ Community Academy of Philadelphia Charter School \_\_\_\_\_

Address of School \_\_\_\_\_ 1100 E. Erie Avenue, Philadelphia, PA 19124 \_\_\_\_\_

CEO Signature \_\_\_\_\_ 

**REVENUES**

<b>6000</b>		<b>REVENUE FROM LOCAL SOURCES</b>	
<b>6500</b>		<b>EARNINGS ON INVESTMENTS</b>	
	6510	Interest on Investments and Interest-Bearing Checking Accounts	3
	6520	Dividends on Investments	
	6530	Gains or Losses on Sale of Investments	
	6540	Earnings on Investments in Real Property	
	6590	Other Earnings or Investments	
<b>6600</b>		<b>FOOD SERVICE REVENUE</b>	
	6610	Daily Sales - Reimbursable Programs	9,658
	6620	Daily Sales - Non-Reimbursable Programs	
	6630	Special Functions	
	6640	Non-Cash Contributions	
	6650	Price Reduction for Reduced Price and Free Meals (Debit)	
	6690	Other Food Service Revenues	
<b>6700</b>		<b>REVENUES FROM STUDENT ACTIVITIES</b>	
	6710	Admissions	
	6720	Bookstore Sales	43,545
	6730	Student Organization Membership Dues and Fees	
	6740	Fees	90,000
	6750	Student Activity - Special Events	
	6790	Other Student Activity Income	
<b>6800</b>		<b>REVENUES FROM INTERMEDIARY SOURCES / PASS THROUGH</b>	
	6810	Revenue from Local Governmental Units	
	6820	Revenue from Intermediary Sources - Commonwealth Funds	
	6830	Revenues from Intermediary Sources - Federal Funds	255,034
	6890	Other Revenues from Intermediary Sources	
<b>6900</b>		<b>OTHER REVENUE FROM LOCAL SOURCES</b>	
	6910	Rentals	189,750
	6920	Contributions & Donations from Private Sources / Capital Contributions	2,776
	6930	Gains or Losses on Sale of Fixed Assets (Economic Resource Measurement Focus Only)	
	6940	Tuition from Patrons	
	6941	Regular Day School Tuition	
	6942	Summer School Tuition	
	6943	Adult Education Tuition	

	6944	Receipts From Other LEAs in Pennsylvania - Education	13,065,121
	6945	Receipts from Out-of-State LEAs	
	6946	Receipts from Member Districts - AVTS / Special Program Jointure only	
	6947	Receipts from Members of Intermediate Units for Education by Withholding	
	6948	Receipts from Members of Intermediate Units for Direct Contributions	
	6949	Other Tuition from Patrons	
	6950	Unassigned	
	6960	Services Provide Other Local Governmental Units / LEAs	
	6961	Transportation Services Provided Other Pennsylvania LEAs	
	6969	All Other Services Provided Other Governments and LEAs Not Specified Above	
	6970	Services Provided Other Funds	
	6980	Revenue from Community Service Activities	136,251
	6990	Refunds and Other Miscellaneous Revenue	22,138
	6991	Refunds of a Prior Year Expenditure	405
	6999	Other Revenues Not Specified Above	
<b>7000</b>		<b>REVENUE FROM STATE SOURCES</b>	
7100		BASIC INSTRUCTIONAL AND OPERATING SUBSIDIES	
	7150	Unassigned	
	7160	Tuition for Orphans and Children Placed in Private Homes	
	7180	Staff and Program Development	
7200		REVENUE FOR SPECIFIC EDUCATIONAL PROGRAMS	
	7210	Homebound Instruction	
	7220	Vocational Education	
	7230	Alternative Education	
	7240	Driver Education - Student	
	7250	Migratory Children	
	7260	Workforce Investment Act (WIA)	
	7270	Specialized Education of Exceptional Pupils	
	7280	Adult Literacy	
	7290	Additional Educational Program Revenues	
7300		REVENUES FOR NON-EDUCATIONAL PROGRAMS	
	7310	Transportation (Regular and Additional)	
	7320	Rental and Sinking Fund Payments / Building Reimbursement Subsidy	193,339
	7330	Health Services (Medical, Dental, Nurse, Act 25)	20,526
	7340	Unassigned	
	7350	Sewage Treatment Operations / Environmental Subsidies	
	7360	Safe Schools	
7400		VOCATIONAL TRAINING OF THE UNEMPLOYED	
7500		STATE REVENUE NOT LISTED ELSEWHERE IN THE 7000 SERIES OF ACCOUNTS	
	7502	Dual Enrollment Grants	
	7503	Project 720/High School Reform	
	7599	Other State Revenue Not Listed Elsewhere in the 7000 Series	
7600		REVENUE FOR MILK, LUNCH AND BREAKFAST PROGRAMS	25,205
7800		REVENUE FOR THE COMMONWEALTH'S SHARE OF PAID BENEFITS	

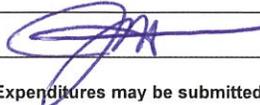
	7810	State Share of Social Security and Medicare Taxes	
	7820	State Share of Retirement Contributions	854,121
7900		REVENUE FOR TECHNOLOGY	
	7910	Educational Technology	
	7990	Other Technology Grants	
8000		REVENUE FROM FEDERAL SOURCES	
8100		UNRESTRICTED GRANTS-IN-AID DIRECT FROM THE FEDERAL GOVERNMENT	
	8110	Payments for Federally Impacted Areas - P.L. 81-874	
	8190	Other Unrestricted Federal Grants-in-Aid Direct from the Federal Government	
8200		UNRESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH	
8300		RESTRICTED GRANTS-IN-AID DIRECTLY FROM THE FEDERAL GOVERNMENT	
	8310	Payments for Federally Impacted Areas - P.L. 81-815	
	8320	Energy Conservation Grants - TA and ECM	
	8390	Other Restricted Federal Grants-in-Aid Directly from the Federal Government	
8500		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT (IDEA), NO CHILD LEFT BEHIND (NCLB), VOCATIONAL EDUCATION, CHILD NUTRITION AND CAREER EDUCATION PROGRAMS	
	8510	Individuals with Disabilities Education Act (IDEA) and No Child Left Behind (NCLB)	978,719
	8520	Vocational Education	
	8530	Child Nutrition Program	433,550
	8540	Nutrition Education and Training	
	8560	Federal Block Grants	
	8570	Unassigned	
	8580	Child Care and Development Block Grants	
	8590	Unassigned	
8600		RESTRICTED GRANTS-IN-AID FROM THE FEDERAL GOVERNMENT THROUGH THE COMMONWEALTH FOR DRIVER EDUCATION, ADULT EDUCATION, CETA, HEADSTART, ENERGY CONSERVATION, WORKFORCE INVESTMENT ACT AND OTHER PROGRAMS	
	8610	Homeless Assistance Act	
	8620	Adult Basic Education	
	8640	Headstart	
	8650	Unassigned	
	8660	Workforce Investment Act (WIA)	
	8670	Unassigned	
	8680	Unassigned	
	8690	Other Restricted Federal Grants-in-Aid through the Commonwealth	
8800		MEDICAL ASSISTANCE REIMBURSEMENTS	1,023
9000		OTHER FINANCING SOURCES	

9100		SALE OF BONDS	
	9110	Bond Issue Proceeds (Gross)	
	9120	Proceeds from Refunding of Bonds	
9200		PROCEEDS FROM EXTENDED TERM FINANCING	
9300		INTERFUND TRANSFERS	
	9310	General Fund Transfers	
	9320	Special Revenue Fund Transfers	
	9330	Capital Projects Funds Transfers	
	9340	Debt Service Fund Transfers	
	9350	Enterprise Fund Transfers	
	9360	Internal Service Fund Transfers	
	9370	Trust and Agency Fund	
	9380	Activity Fund Transfers	
	9390	Permanent Fund Transfers	
9400		SALE OF OR COMPENSATION FOR LOSS OF FIXED ASSETS	
9500		Unassigned	
9600		Unassigned	
9700		TRANSFERS INVOLVING COMPONENT UNITS AND PRIMARY GOVERNMENTS	
	9710	Transfers from Component Units	
	9720	Transfers from Primary Governments	
9800		INTRAFUND TRANSFERS IN	
	9810	General Fund Intrafund Transfers	
	9820	Special Revenue Intrafund Transfers	
	9840	Debt Service Intrafund Transfers	
	9850	Enterprise Intrafund Transfers	
	9860	Internal Service Intrafund Transfers	
	9870	Trust and Agency Intrafund Transfers	
	9880	Activity Interfund Transfers	
<b>TOTAL REVENUES</b>			<b>16,321,164</b>

**Preliminary Statement of Revenues, Expenditures & Fund Balances  
Include ALL Funds  
as of June 30, 2014**

Name of School \_\_\_\_\_ Community Academy of Philadelphia Charter School \_\_\_\_\_

Address of School \_\_\_\_\_ 1100 E. Erie Avenue, Philadelphia, PA 19124 \_\_\_\_\_

CEO Signature \_\_\_\_\_ 

Note-Expenditures may be submitted EITHER as accrual or cash basis

**EXPENDITURES**

1000	INSTRUCTION	
1100	REGULAR PROGRAMS - ELEMENTARY / SECONDARY	5,564,118
1200	SPECIAL PROGRAMS - ELEMENTARY / SECONDARY	1,503,889
1300	VOCATIONAL EDUCATION	
1400	OTHER INSTRUCTIONAL PROGRAMS - ELEMENTARY / SECONDARY	10,161
1600	ADULT EDUCATION PROGRAMS	
1700	HIGHER EDUCATION PROGRAMS	
1800	PRE-KINDERGARTEN	
2000	SUPPORT SERVICES	
2100	SUPPORT SERVICES - PUPIL PERSONNEL	
2110	Supervision of Pupil Personnel Services	25,170
2120	Guidance Services	
2130	Attendance Services	
2140	Psychological Services	27,030
2150	Speech Pathology and Audiology Services	
2160	Social Work Services	356,662
2170	Student Accounting Services	
2190	Other Pupil Personnel Services	
2200	SUPPORT SERVICES - INSTRUCTIONAL STAFF	
2210	Supervision of Educational Media Services	
2220	Technology Support Services	
2230	Educational Television Services	
2240	Computer-Assisted Instruction Support Services	
2250	School Library Services	106,729
2260	Instruction and Curriculum Development Services	
2270	Instructional Staff Professional Development Services	97,937
2280	Nonpublic Support Services	
2300	SUPPORT SERVICES - ADMINISTRATION	
2310	Board Services	
2320	Board Treasurer Services	
2340	Staff Relations and Negotiations Services	
2350	Legal Services	132,763
2360	Office of the Superintendent (Executive Director) Services	
2370	Community Relations Services	
2380	Office of the Principal Services	2,333,610
2390	Other Administration Services	
2400	SUPPORT SERVICES - PUPIL HEALTH	139,152
2500	SUPPORT SERVICES - BUSINESS	
2510	Fiscal Services	350,498
2520	Purchasing Services	
2530	Warehousing and Distributing Services	
2540	Printing, Publishing and Duplicating Services	
2590	Other Support Services - Business	
2600	OPERATION AND MAINTENANCE OF PLANT SERVICES	
2610	Supervision of Operation and Maintenance of Plant Services	
2620	Operation of Buildings Services	2,086,523
2630	Care and Upkeep of Grounds Services	
2640	Care and Upkeep of Equipment Services	
2650	Vehicle Operations and Maintenance Services (Other than Student Transportation Vehicles)	
2660	Security Services	841,026
2690	Other Operation and Maintenance of Plant Services	
2700	STUDENT TRANSPORTATION SERVICES	
2710	Supervision of Student Transportation Services	
2720	Vehicle Operation Services	
2730	Monitoring Services	
2740	Vehicle Servicing and Maintenance Services	

	2750	Nonpublic Transportation	
	2790	Other Student Transportation Services	
2800		<b>SUPPORT SERVICES - CENTRAL</b>	
	2810	Planning, Research, Development and Evaluation Services	
	2820	Information Services	
	2830	Staff Services	
	2840	Data Processing Services	
	2850	State and Federal Agency Liaison Services	
	2860	Management Services	
	2890	Other Support Services Central	
2900		<b>OTHER SUPPORT SERVICES - CENTRAL</b>	264,335
	2990	Pass-Thru Funds	
3000		<b>OPERATION OF NON-INSTRUCTIONAL SERVICES</b>	
3100		<b>FOOD SERVICES</b>	352,056
3200		<b>STUDENT ACTIVITIES</b>	
	3210	School Sponsored Student Activities	228,621
	3250	School Sponsored Athletics	77,846
3300		<b>COMMUNITY SERVICES</b>	
	3310	Community Recreation	
	3320	Civic Services	46,910
	3330	Public Library Services	
	3340	Custody and Child Care	305,599
	3350	Welfare Activities	
	3390	Other Community Services	
3400		<b>SCHOLARSHIPS AND AWARDS</b>	
4000		<b>FACILITIES ACQUISITION, CONSTRUCTION AND IMPROVEMENT SERVICES</b>	
4100		<b>SITE ACQUISITION SERVICES - ORIGINAL AND ADDITIONAL</b>	
4200		<b>EXISTING SITE IMPROVEMENT SERVICES</b>	
4300		<b>ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS DEVELOPMENT - ORIGINAL AND ADDITIONAL</b>	
4400		<b>ARCHITECTURE AND ENGINEERING SERVICES / EDUCATIONAL SPECIFICATIONS - IMPROVEMENTS</b>	
4500		<b>BUILDING ACQUISITION AND CONSTRUCTION SERVICES - ORIGINAL AND ADDITIONAL</b>	
4600		<b>EXISTING BUILDING IMPROVEMENT SERVICES</b>	
6000		<b>OTHER EXPENDITURES AND FINANCING USES</b>	
5100		DEBT SERVICE / OTHER EXPENDITURES AND FINANCING USES	50,000
5200		FUND TRANSFERS	
5300		TRANSFERS INVOLVING COMPONENT UNITS	
5400		INTRAFUND TRANSFERS OUT	
5800		SUSPENSE ACCOUNT	
5900		BUDGETARY RESERVE	400,000
<b>TOTAL EXPENDITURES</b>			<b>15,300,635</b>

TOTAL REVENUES MINUS TOTAL EXPENDITURES = CURRENT FUND  
BALANCE AS OF JUNE 30, 2014

1,020,529



**pennsylvania**  
DEPARTMENT OF EDUCATION

333 MARKET STREET  
HARRISBURG, PA 17126-0333  
[www.pde.state.pa.us](http://www.pde.state.pa.us)

September 1, 2011

Mr. Joseph Proietta  
CEO  
Community Academy of Philadelphia CS  
1100 East Erie Avenue  
Philadelphia, PA 19124-5424

RECEIVED  
SEP 03 2011  
COO

Dear Mr. Proietta:

I thank you and your staff for participating in the Federal Programs Consolidated Review. We have received your corrective action plan. You are now in complete compliance with current statute, regulations and guidance released by the United States Department of Education.

If you have any questions, please feel free to contact your Regional Coordinator at (717) 783-2193. Thank you for your cooperation.

Sincerely,

Renee' Palakovic  
Chief  
Division of Federal Programs

cc: Project File

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SEP 06 2011  
CEO



Pennsylvania Department of Education  
Division of Federal Program  
Corrective Action Plan  
2010-2011 School Year

RECEIVED

JUL 18 2011

CEO

**School District:** Community Academy of Philadelphia CS  
**Monitor Date:** 5/2/2011  
**Monitor:** Steven R. Marrone  
**Contact Person:** CEO Joseph H. Proietta  
**Report Date:**

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates								
Title I Highly Qualified	1a. All core content area teachers employed by the LEA are highly qualified.	The district will submit a listing of all non-highly qualified teachers and the length of time each has been working in the position for which they are not highly qualified, along with the appropriate emergency certificate (s) issued for this time period.	<input type="checkbox"/> List of teachers and their qualifications. <input type="checkbox"/> Number of teachers who have met highly qualified. <input checked="" type="checkbox"/> Number of teachers working toward becoming highly qualified	<table border="1"> <tr> <td data-bbox="1677 139 1839 196">CA Due:</td> <td data-bbox="1839 139 1986 196">8/26/2011</td> </tr> <tr> <td data-bbox="1677 196 1839 253">Ext Date:</td> <td data-bbox="1839 196 1986 253"></td> </tr> <tr> <td data-bbox="1677 253 1839 310">Closed:</td> <td data-bbox="1839 253 1986 310"></td> </tr> <tr> <td data-bbox="1677 310 1839 396">CA Not Required:</td> <td data-bbox="1839 310 1986 396"><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
CA Due:	8/26/2011											
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CA Not Required:	<input type="checkbox"/>											
Title I Parent Involvement	3. LEA and schools have carried out the six requirements to build parents capacity to be involved in school:	3a) Provide copies of meeting/workshop invitations, sign in sheets, agendas and materials provided to parents showing these topics were part of a formal effort to provide the information to parents. 3c) Provide documentations, such as professional development calendars, workshop agendas, etc. to show evidence that the LEA provided training to staff on how to work with parents during this school year.		<table border="1"> <tr> <td data-bbox="1677 672 1839 729">CA Due:</td> <td data-bbox="1839 672 1986 729">8/26/2011</td> </tr> <tr> <td data-bbox="1677 729 1839 786">Ext Date:</td> <td data-bbox="1839 729 1986 786"></td> </tr> <tr> <td data-bbox="1677 786 1839 842">Closed:</td> <td data-bbox="1839 786 1986 842"></td> </tr> <tr> <td data-bbox="1677 842 1839 928">CA Not Required:</td> <td data-bbox="1839 842 1986 928"><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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JUL 18 2011

CEO

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates	
		3d) Provide a copy of a written plan documenting how the LEA works with outside programs and agencies that encourage and support parents in more fully participating in the education of their children. (see below)			
Title I Parent Involvement	a. Provide assistance to parents in understanding the State's academic content standards and student academic achievement standards, State and local academic assessments, the requirements of Title I, and how to monitor a child's progress and work with educators to improve student achievement;	Provide copies of meeting/workshop invitations, sign in sheets, agendas and materials provided to parents showing these topics were part of a formal effort to provide the information to parents.	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.	CA Due:	8/26/2011
				Ext Date:	
				Closed:	
				CA Not Required:	<input type="checkbox"/>

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JUL 18 2011

CEO

TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates								
Title I Parent Involvement	c. Educate instructional staff, with parental assistance, in the value and utility of contributions of parents, how to reach out to and communicate with and work with parents as equal partners, implement and coordinate parent programs and build ties between parents and school;	Provide documentations, such as professional development calendars, workshop agendas, etc. to show evidence that the LEA provided training to staff on how to work with parents during this school year.	<input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets.	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
CA Due:	8/26/2011											
Ext Date:												
Closed:												
CA Not Required:	<input type="checkbox"/>											
Title I Parent Involvement	d. Coordinate and integrate parent involvement programs and activities with other programs (Head Start, Parents as Teachers, Early Reading First, public preschool, and parent resource centers), that encourage and support parents in more fully participating in the education of their children;	LEA must provide to the DFP a copy of a written plan documenting how the LEA works with outside programs and agencies that encourage and support parents in more fully participating in the education of their children. *This is not applicable if the Title I program is in upper elementary grades only.	<input type="checkbox"/> Training materials, evaluations, agendas, calendar of events, etc. <input type="checkbox"/> Staff/Parent meetings, agendas, and sign-in sheets <input type="checkbox"/> Memorandum of Understanding (MOU).	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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Title I School Improvement	5. Each school identified for Corrective Action 1 or 2 involves parents in corrective actions taken to improve academic achievement.	Agendas and sign-in sheets must be supplied to DFP. District must provide DFP with schedule for the upcoming school year which includes parents in planning.	<input type="checkbox"/> Meeting agendas <input type="checkbox"/> Parent notifications <input type="checkbox"/> Meeting minutes	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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JUL 18 2011

CEO

July 12, 2011

Page 4 of 9



TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates				
	4. The LEA conducts an assessment of local needs for professional development and hiring, as identified by the LEA and school staff. Section 2122 (c)(1)(2)			<table border="1"> <tr> <td data-bbox="1677 142 1858 233">CA Not Required:</td> <td data-bbox="1858 142 1982 233"><input type="checkbox"/></td> </tr> <tr> <td colspan="2" data-bbox="1677 233 1982 383"></td> </tr> </table>	CA Not Required:	<input type="checkbox"/>		
CA Not Required:	<input type="checkbox"/>							

RECEIVED  
JUL 18 2011  
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TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates								
Title II Part A Professional Development	5. The LEA involves parents in the planning of professional development activities. Section 2122 (b)(7)	The district will submit evidence that parents will have the opportunity for input regarding the planning of professional development activities.	<input type="checkbox"/> Meeting Notices	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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Title III PA English Language Proficiency Standards (PA ELPS) for English Language Learners	1. The LEA curriculum in Reading/Language Arts, Science, Math, and Social Studies includes the PA ELPS and is aligned to state academic content standards.	The LEA will submit to PDE evidence that PA ELPS has been disseminated and that professional development on the PA ELPS was provided to all teachers.	<input type="checkbox"/> Content curriculum alignment, lesson plans	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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Title III Parental Notification	4. Parental participation and outreach provisions	The LEA will submit to PDE plans for parental participation and outreach provisions	<input type="checkbox"/> Parent participation policies are distributed to parents on a regular basis  <input type="checkbox"/> Evidence of outreach with parents of ELL students about how they can be involved in their child's education	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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TOPIC	ISSUE	Corrective Action	Suggested Evidence of Implementation	Dates								
Fiscal Requirements Rank Order	5. Allocations given to Title I schools match approved amounts on consolidated application.	Provide a preliminary list of expenditures for the current fiscal year for each Title I building based on each school's allocation. Your regional coordinator will review and approve or disapprove the expenditures.	<input type="checkbox"/> Local budget sheets. <input type="checkbox"/> System tracking expenditure reports.	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input checked="" type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input checked="" type="checkbox"/>
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Fiscal Requirements Supplement/Supplant	1. LEA approved budget and records of expenditures of Title I funds at the district level match.	Provide a preliminary list of expenditures for 10/11 fiscal year for each Title I building based on each school's allocation. Your regional coordinator will review and approve or disapproved the expenditures.	<input type="checkbox"/> Statement of Allocation & Expenditures	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input type="checkbox"/>
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Fiscal Requirements Compliance to Reservations	2. LEA has reserved an amount equal to 20% of its Title I allocation for transportation/supplemental services or both. (for school improvement schools only; if no schools in school improvement, check NA)	LEA must provide an updated Reservation of Funds page (from Title I project). LEA must also provide documentation to support expenditures related to School Choice and/or SES.	<input type="checkbox"/> Reservations are in the ROF screen on egrants. <input type="checkbox"/> Line items can be followed. <input type="checkbox"/> Expenditures are charged to the line items. <input type="checkbox"/>	<table border="1"> <tr> <td>CA Due:</td> <td>8/26/2011</td> </tr> <tr> <td>Ext Date:</td> <td></td> </tr> <tr> <td>Closed:</td> <td></td> </tr> <tr> <td>CA Not Required:</td> <td><input checked="" type="checkbox"/></td> </tr> </table>	CA Due:	8/26/2011	Ext Date:		Closed:		CA Not Required:	<input checked="" type="checkbox"/>
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July 12, 2011  
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## **Executive Summary BSE Compliance Monitoring Review of the Community Academy of Philadelphia CS**

### **PART I SUMMARY OF FINDINGS**

#### **A. Review Process**

Prior to the Bureau's monitoring the week of April 28, 2011, the Community Academy of Philadelphia CS was formally notified of the dates the onsite review would be conducted. Notice and invitation to comment was also provided to the Local Task Force on Right-to-Education. The charter school was informed of its responsibility to compile various reports, written policies, and procedures to document compliance with requirements.

While onsite, the monitoring team employed a variety of techniques to gain an in depth understanding of the charter school's program operations. This included:

- Interviews of charter school administrative and instructional personnel
- Review of policies, notices, plans, outcome and performance data, special education forms and formats, and data reports used and compiled by the charter school (Facilitated Self-Assessment)
- Comprehensive case studies (including classroom observations, interviews of parents, students, and general and special education teachers, and student file reviews).

#### **B. General Findings**

In reaching compliance determinations, the Bureau of Special Education (BSE) monitoring teams apply criteria contained in federal and state special education regulations. Specifically, these are:

- Individuals with Disabilities Education Improvement Act of 2004
- 22 Pa. Code Chapter 711
- 34 CFR Part 300

This report focuses on compliance with regulatory requirements and also contains descriptive information (such as interview and survey results) intended to provide feedback to assist in program planning.

#### **C. Overall Findings**

##### **1. FACILITATED SELF ASSESSMENT (FSA)**

The team reviewed the FSA submitted by the charter school and conducted onsite verification activities of the information submitted in the FSA. The onsite verification activities included review of policies, notices, procedures, and file reviews.

<b>FSA</b>	<b>In Compliance</b>	<b>Out of Compliance</b>
Assistive Technology and Services; Hearing Aids	2	0
Positive Behavior Support Policy	1	0
Child Find (Annual Public Notice and General Dissemination Materials)	1	0
Confidentiality	1	0
Dispute Resolution (Due process hearing decision implementation)	1	0
Exclusions: Suspensions and Expulsions (Procedural Requirements)	1	0
Independent Education Evaluation	1	0
Least Restrictive Environment (LRE)	1	0
Provision of Extended School Year Services	1	0
Provision of Related Service Including Psychological Counseling	1	0
Parent Training	0	1
Public School Enrollment	1	0
Surrogate Parents (Students Requiring)	1	0
Personnel Training	1	0
Intensive Interagency Approach	1	0
Summary of Academic Achievement and Functional Performance/Procedural Safeguard Requirements for Graduation	1	0
Disproportionate Representation that is the Result of Inappropriate Identification	1	0

<b>IMPROVEMENT PLAN REQUIRED</b>	<b>Yes</b>	<b>No</b>
Effective use of Dispute Resolution	0	1
Graduation Rates (SPP)	0	1
Dropout Rates (SPP)	0	1
Suspensions (Rates)	0	1
Least Restrictive Environment (LRE) (SPP)	0	1
Participation in PSSA and PASA (SPP)	0	1
Participation in Charter-Wide Assessment	0	1
Public School Enrollment	0	1
Disproportionate Representation that is the Result of Inappropriate Identification	0	1

**2. FILE REVIEW (Student case studies)**

The education records of randomly selected students participating in special education programs were studied to determine whether the charter school complied with essential requirements.

The status of compliance of the Community Academy of Philadelphia CS is as follows:

<b>Sections of the FILE REVIEW</b>	<b>In Compliance</b>	<b>Out of Compliance</b>	<b>NA</b>
Essential Student Documents Are Present and Were Prepared Within Timelines	80	7	89
Evaluation/Reevaluation: Process and Content	155	13	690
Individualized Education Program: Process and Content	489	67	324
Procedural Safeguards: Process and Content	120	5	7
<b>TOTALS</b>	<b>844</b>	<b>92</b>	<b>1110</b>

### 3. TEACHER AND PARENT INTERVIEWS

Interviews were conducted with parents and teachers of students selected by the BSE for the sample group. The goal is to determine if the charter school involves parents and professionals in required processes (e.g., evaluation, IEP development), whether programs and services are being provided, and whether the charter school provides training to enhance knowledge. Parent and teacher satisfaction with the special education program is also generally assessed.

	<b># Yes Responses</b>	<b># No Responses</b>	<b># of Other Responses</b>
Program Implementation: General Ed Teacher Interviews	297	3	58
Program Implementation: Special Ed Teacher Interviews	333	1	152
Program Implementation: Parent Interviews	175	16	111
<b>TOTALS</b>	<b>805</b>	<b>20</b>	<b>321</b>

### 4. STUDENT INTERVIEWS

Results of the student interviews are reflected on the Charter School Corrective Action Verification/Compliance and Improvement Planning document.

### 5. CLASSROOM OBSERVATIONS

Observations are conducted in classrooms of students selected by the BSE for the sample group.

	<b># Yes Responses</b>	<b># No Responses</b>	<b># of Other Responses</b>
Classroom Observations	49	2	12

### 6. EDUCATIONAL BENEFIT REVIEW

	<b>In Compliance</b>	<b>Out of Compliance</b>
Educational Benefit Review	X	

## PART II CORRECTIVE ACTION PROCESS

PART I of this report presented an overall summary of findings. In the Appendix to the report, we have provided the detailed findings for each of the criteria of the compliance monitoring document, i.e. FSA, File Reviews, Interviews and Classroom Observations. The detailed report of findings includes:

- Criteria Number
- Statements of all requirements
- Whether each requirement was met, not met, not applicable or other
- Statements of corrective action required for those criteria not met. ***Criteria not met that require corrective action by the charter school are gray-shaded.***

***Charter schools are advised that in accordance with requirements of the Individuals with Disabilities Education Act, all noncompliance must be corrected as soon as possible but in no case later than one year from the date of the monitoring report.*** The BSE is required to verify timely correction of noncompliance, and must report annually to the federal government and the public on this requirement.

Upon receipt of this report, the charter school should review the corrective action and improvement planning required. The report is formatted so that findings from all components of the monitoring are consolidated by topical area. The report lists the finding, and whether corrective action is required. For certain types of findings, corrective action will be prescribed, and will not vary from charter school to charter school. For example, if the finding is that the charter school lacks a specific required policy, it is reasonable to have the BSE prescribe a standardized remedy and timeline for correcting this deficiency. However, the majority of corrective action activities will be individually designed by the charter school based on their own unique circumstances and goals. Consistent with IDEA's general supervision requirements for states, BSE must approve all proposed corrective action.

With respect to the File Review, because students were selected at random, findings are generalized to the entire population of students with disabilities. During the corrective action review, the BSE Advisor will select students at random and will review updated data, i.e. records that were developed subsequent to the monitoring. Consequently, the charter school should approach corrective action on a systemic basis. As indicated above, the charter school is also required to correct student specific noncompliance identified during monitoring under the ICAP process. If there has been a finding of noncompliance in the Educational Benefit Review component, the individual students are identified to the charter school and, because of the significance of the provision of a free appropriate public education (FAPE) to these students; the charter school must take immediate corrective action.

The BSE Adviser will schedule an onsite visit with the charter school within 60 days following issuance of the monitoring report. The BSE Adviser, charter school, and PaTTAN staff will develop a Charter School Corrective Action Verification/Compliance and Improvement Plan. PaTTAN and IU staff is available to assist the charter school.

Upon conclusion of the corrective action process, the charter school will be notified of its successful completion of the monitoring process.